ORIGINAL

PRTC
Palmetto Rural Telephone Cooperative inc

EX PARTE OR LATE FILED

OCT 2002

October 23, 2002

NOTICE OF EX PARTE
PRESENTATION

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, SW, Room TW B204
Washington, DC 20554

Re: **Federal-State Joint Board on Universal Service**
CC Docket Nos. 96-45, 98-171, 90-571, 92-237, 99-200,
95-200, 95-116, 98-170 and NSD File No. L-00-72

Dear Ms. Dortch:

The attached written Ex *Parte* Presentation concerning the above-referenced
proceeding **was** sent to the Honorable Michael K Powell, **by** the undersigned on October
23, 2002, on behalf of Palmetto Rural Telephone Cooperative In accordance with FCC Rule
1 1206(b)(1)[1], this Notice of *Ex* Parte Presentation and a copy of the referenced *Ex Parte*
Presentation are being Ned with you electronically for inclusion in the public record Should
you have any questions, please contact me at 843-538-2020

Sincerely,

H.J. Dandridge III
General Manager

cc: Commissioner Kathleen Q. Abemathy
Commissioner Michael Copps
Commissioner Kevin Martin

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[1] 47 C.F.R. § 1 1206(b)(1).

OCT 2002

October 23, 2002

***EX PARTE* PRESENTATION**

Honorable Michael K. Powell
Chairman
Federal Communications Commission
445 12" Street, SW, Room 8 B201
Washington, DC 20554

> Re: **Fedetal-State** Joint Board on Universal Service,
> CC **Docket Nos.** 96-45, 98-171, 90-571, 92-237,
> 99-200, 95-200, 95-116, 98-170 and NSD File No. L-00-72;

Dear Chairman Powell:

I write to **you** on behalf of Palmetto Rural Telephone Cooperative to indicate support for the interim universal service contribution methodology proposed by the United States Telecom Association (USTA). Palmetto Rural Telephone Cooperative believes that adoption of the interim methodology will **best** ensure that sufficient universal support will continue to be available to eligible carriers. Palmetto Rural Telephone Cooperative urges the Federal Communications Commission (FCC) to continue to examine the creation **of** a long-term contribution methodology while the industry operates under the interim methodology.

The interim methodology should be based on interstate end-user revenues **as a** contribution base. The FCC should use a "collect and remit" system. Under this system carriers would remit payments based on the application of the USAC percentage to the interstate **retail** revenues **actually** collected The FCC should **raise** the "safe harbor" contribution limit for wireless providers to 20-28 percent unless the wireless provider *can* determine its actual interstate retail revenue, and the safe harbor percentage should be applied to wireless providers on **a** company-wide basis. Competitive local exchange carriers (CLECs) should impute **an** amount **equal** to the subscriber line charge (**SLC**) assessed by the incumbent local exchange carrier (ILEC) in **a** CLEC's service area CLECs should be provided with the option of reporting the imputation based on the actual SLC amount assessed by *the ILEC* or an amount equal to the nationwide SLC cap. All broadband and broadband service providers should contribute to universal **service support** on an equivalent basis. Finally, the FCC should impose a cap on the recovery of administrative, billing and overhead costs that contributors to universal service support programs are allowed to include in the universal service charge collected on customers' bills.

Honorable Michael K. Powell
October 23,2002
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      The interim contribution methodology is not **a** substitute for the principles and long-term connection-based **proposal** presented by USTA in its comments and **reply** comments tiled in this proceeding on April 22, 2002, and May 13,2002, respectively It is necessary, though, in order *to* allow the FCC more time to address the administrative and legal concerns related to the methodologies currently under review

Sincerely,

B.J. Dandridge III
General Manager

cc: Commissioner Kathleen Q. Abemathy
        Commissioner Michael Copps
        Commissioner Kevin Martin